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Development in the era of climate change:

How an interdisciplinary perspective illuminates the road ahead

Walden Bello*

I have been asked to speak on the relevance of an interdisciplinary approach to the question of climate change. The way I would like to approach this issue is to first discuss two topics extensively. The first is the role of China in global climate politics. The second is the implication of the current global economic downturn for climate policy. I will then draw out some of the implications of these two related topics for an interdisciplinary approach.¹

Keywords: climate change, Copenhagen, China, globalization, capitalism

China and Global Climate Politics

Even as we in the developing world have become more and more intensely engaged in policy debates on climate change, the discussion and debate at the global level has become very complex and bitter. The prime illustration of this is, of course, the collapse of the Copenhagen meeting on climate change. This failure has been billed in some quarters as the “Seattle” of the climate front. Unlike Seattle, however, this was a debacle the world could not afford to have.

In the western press, China has been identified as the main reason the Copenhagen conference failed because it opposed the listing of emissions targets at a meeting of a group of countries led by President Barack Obama. The real story was more complex. What the press failed to mention was that this meeting was one of several unofficial meetings with a small number of countries that Obama had called, apparently with the support of Denmark, in order to impose a deal on the climate conference. In fact, drafting a declaration would have been in violation of an agreed-on conference process.

Where China went wrong was not so much in opposing the listing of the emission numbers but in originally agreeing to attend these covert caucuses where Obama and a small group of other heads of state sought to unilaterally draft a declaration. China undoubtedly knew that these meetings—which included the leaders of selected northern countries as well as those

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of Brazil, South Africa, and India—undermined the United Nations’ (UN) process. In the days leading up to Copenhagen, China had heard its allies in the developing world expose and denounce a covert effort by Denmark to convoke a parallel conference of over 20 countries to push through an unauthorized “Danish text” that advanced a climate agenda favored by the developed countries.

It is perhaps not coincidental that most of the countries invited by Denmark were participants in the “Major Economies Forum on Energy and Climate” first called by President George W. Bush, and re-launched before the Copenhagen meeting by President Obama, allegedly to “facilitate a candid dialogue among major developed and developing economies.” The real aim of both the Major Economies Forum and the Danish parallel conference was, in the opinion of some Southern observers, to drive a wedge between the more advanced developing countries and the poorer, least developed, and most vulnerable countries.

Having joined the covert Obama caucuses, China probably realized that it could not lend too much legitimacy to a declaration that issued from them since this would anger the majority of developing countries excluded from the meetings. The meetings, which resembled the notorious “Green Room” get-togethers of the heavy hitters of international trade during the ministerial conferences of the World Trade Organization, were not universally respected. This backtracking probably explains Prime Minister Wen Jia Bao’s absence from the caucus intended to finalize the declaration and his replacement by a relatively low-ranking official. China blocked the declaration of voluntary emissions reduction figures—designed to give the big climate polluters the veneer of global responsibility without any significant obligations—likely because it did not want to give too much prominence to a document drafted at the margins of the conference.

By attending the caucuses and participating in the drafting of the unauthorized declaration, China laid itself open to a diplomatic fiasco. Eager to escape the blame for the collapse of what had been billed as the most important conference of our lifetime, the North sanctimoniously pointed to China as the conference spoiler. At the same time, because of their partial participation in the side meetings, many developing countries’ negotiators and observers were confirmed in their suspicions that China had a self-serving agenda not consistent with that of the global South. After all, China joined the Obama caucuses and participated in the drafting of an unauthorized political declaration that the prominent Indian intellectual Praful Bidwai described as a “dirty collusive deal” between the US-led North and the China-led heavy polluters of the South. Despite Beijing’s point-by-point responses to such accusations, the general perception took hold that China was to blame for the failed talks.

The Chinese leadership must find this billing as the villain of Copenhagen very frustrating. After all, right before Copenhagen, Beijing promised that it would reduce carbon dioxide emissions per unit of gross domestic product in 2020 by 40-45 percent compared to 2005 levels. Its automobile fuel efficiency standards are now stricter than those of the United States. China now is a global leader in wind and solar energy development. Even Thomas Friedman, no lover of China, talks about China’s “Green Leap Forward” and how the government is determined to meet the energy challenge “with cleaner, homegrown sources so that its future economy will be less vulnerable to supply shocks and so it doesn’t pollute itself to death.”

If any government sabotaged the meeting, it was the United States. U.S. negotiators made clear to the world even before Copenhagen that Washington was not yet ready for binding commitments after having evaded the emissions cuts required by the Kyoto Protocol for over a decade. Using U.S. Senate opposition as an excuse, Obama’s negotiators systematically dampened any hopes for the binding accord that the global public had expected Copenhagen

would produce. After being shamed by the pledges of other countries, Washington ultimately committed to a 17 percent voluntary cut of greenhouse gas emissions from 2005 levels, but other countries viewed Washington's offer, which translated into an insignificant four percent reduction from 1990 levels, as a joke.

Whether Obama and his negotiators were right in fearing a backlash from the right wing if they made the United States appear too ambitious is a matter of debate. Nevertheless, Washington's diplomacy ensured that Copenhagen would be dead on arrival. It's easy to imagine Beijing's resentment at Obama's push to engineer a public relations triumph via a declaration with high-sounding rhetoric laced with meaningless voluntary engagements and backed up with very little actual commitment.

Although China was not the villain of Copenhagen, it did play the role of accomplice. It participated in Obama's unofficial caucuses of the rich and the powerful even as it sought to lead the "G77 and China" grouping in the formal UN process. The conflicting demands of these two roles underline China's contradictory status in the world: it is simultaneously an economic superpower with a massive carbon footprint and a developing country. Its economic and ecological impact on the world is now greater than most developed countries, but its leadership and people continue to see themselves as belonging to the developing world.

In 2009, China displaced the United States as the world's biggest automobile market and Germany as the world's top exporter. China is expected to pass Japan as the world's second biggest economy this year and overtake the U.S. as the world's largest by 2030. So fast has China's growth been in the last two decades that, as analyst Zachary Karabell notes, "as many as 300 million people are middle class or upper middle class by any definition, and that number is equivalent to the population of the United States and of the European Union." Yet hundreds of millions of rural Chinese are mired in poverty, earning an average of \$400 a year. Moving up from poverty and hunger is their common aspiration, and Beijing fears that there will be hell to pay if this is thwarted.

Making more and more of its population middle class in order to stave off political unrest is thus the Chinese leadership's overriding goal. It can only accomplish this goal, in its view, by continuing on a high-growth path that is dependent, at least in the short term, on coal. China is now the world's number one consumer of coal and its use now earns it the dubious honor of being the world's number one emitter of greenhouse gases. As Richard Heinberg has noted, "while China is quickly becoming the world leader in renewable energy technologies, it has no realistic prospect of phasing out coal without giving up its high GDP growth rates."

China's formal position leading up to Copenhagen was that the meeting should come up with a legally binding agreement committing the United States and other industrialized countries—which have contributed over 80 percent of the accumulated carbon dioxide in the atmosphere—to deep cuts in their greenhouse gas emissions while limiting action demanded from developing countries like itself to voluntary targets. Yet so destabilizing is China's coal-dependent high-growth strategy that even if COP 15 had produced an agreement specifying mandatory cuts from the developed countries, the pressure on Beijing to agree to similar obligatory cuts would grow as it overtook Japan as the world's second largest economy and closed in on the United States; such a pressure would come not just from the North but the South as well.

Thus the single-minded dedication to high-speed growth, which is the axis around which both its domestic and foreign policies spin, has motivated China to put off as long as possible the day when it will have to agree to mandatory limits on its greenhouse gas emissions. As such, the

weak, Obama-brokered accord that came out of Copenhagen and was mainly meant to accommodate the United States was also in sync with Beijing's perceived interests.

The planet, however, cannot wait. And the idea that one can deliver a U.S.-style middle-class lifestyle for the bulk of the world's population without provoking a climatic crisis is a dangerous illusion. Until it finally gets up the courage to turn away from the globally destabilizing high-growth, export-oriented development path pioneered by the North, Beijing will be condemned to play the role of Hamlet in global climate politics. As a developing country, it will continue to demand flexibility while covertly colluding to defuse tough climate measures that might obstruct its rise as an economic superpower. However, the world cannot afford this tragedy to be enacted on the global stage.

I have spoken at length on the US-China relationship and on China's development model because they are central issues in the climate debate. Now let me go to a related topic.

The International Recession: Opportunities and Risks for Sustainable Development

The question of China's development model leads us to a discussion of the current state of the global economy as it relates to global warming. Between the end of 2008 and March 2010, we have seen the unraveling of a particular type of international economy of which China is a central part: one that is export-oriented and marked by the accelerated integration of production and markets. This globalized economy has been transportation-intensive, greatly dependent on ever-increasing long-distance transportation of goods. For instance, a plate of food consumed in the United States travels an average of 1,500 miles from source to table. Transportation, in turn, is fossil-fuel intensive, accounting in 2006 for 13% of global greenhouse gas emissions (GHG) and 23% of global carbon dioxide emissions.

A downturn in the export-dependent global economy thus brings about a significant downturn in carbon emissions as well. It spells relief for the climate. In 2009, the drop in the level of greenhouse gas emissions (GHG) has been the largest in the last 40 years. The thousands of ships marooned by lack of global demand in ports such as New York, Singapore, Rio de Janeiro, and Seoul means a significant reduction in the use of high-carbon Bunker C oil, which is used in 80% of ocean shipping. The cutback in airfreight has meant a significant reduction in the use of aviation fuel, which has been the fastest growing source of GHG emissions in recent years.

In response to the collapse of the export-oriented global economy, many governments have fallen back on their domestic markets, revving them up via stimulus programs that put spending money in the hands of consumers. This move has been accompanied by a retreat from globalized production structures or "deglobalization." "The integration of the world economy is in retreat on almost every front," writes the Economist. While the magazine says that corporations continue to believe in the efficiency of global supply chains, "like any chain, these are only as strong as their weakest link. A danger point will come if firms decide that this way of organizing production has had its day."

For many environmentalists and ecological economists in both the South and the North, the unraveling of the export-oriented global economy spells opportunity. It opens up the transition to more climate-friendly and ecologically sensitive ways of organizing economic life, beginning with making production and distribution less transportation intensive. It means opportunities for generating and promoting new approaches to development. However, instead of heralding this transition to much less fossil-fuel intensive and ecologically sustainable production, most technocrats and economists see only a temporary retreat from export-led

growth, only until global demand makes the latter viable. The preoccupation of economists and policymakers with the export engine to revive the global economy, which often excludes any concern about the negative impact of export-led globalization on the climate, was a dangerous divide leading up to Copenhagen. John Cavanagh, director of the Institute for Policy Studies, notes: "We have economic policymakers concerned with reversing recession and ecological economists concerned with strategic ways of reversing climate change talking past one another."

The policy debate in establishment circles focuses on who will replace the bankrupt American consumers as the engine of global demand. With Europe stagnant and Japan almost in permanent recession, the hope is that China's growth will be the basis of global reflation. Here is where the interests of the Chinese leadership and that of the global capitalist elite coincide, which is why speculations that China and the developed country elites are in collusion and not really interested in an effective climate treaty at this point is not without basis.

But this vision is a mirage. China's 8.9% annualized growth in the last quarter is due to their current stimulus, a \$585 billion program that has been funneled mainly to the countryside. Domestic demand will likely cease to grow once the money is spent. A limited spurt of cash will not transform Chinese peasants into the saviors of the global economy. After all, because they bore the costs of the country's export-oriented economy, these peasants have seen their incomes and welfare severely erode over the last quarter of a century.

The point, however, is that persisting illusions about global recovery make influential forces unwilling to take the opportunity to break with the fossil fuel-intensive globalization paradigm. Currently, the hope of the corporations is that the current export-oriented globalized world economy can be saved with China taking the lead in global recovery within a liberal global trading system revived by the completion of the Doha Round of negotiations of the World Trade Organization.

This is not to say that there is no concern about climate change in these circles or that global business and technocratic circles are dominated by climate skeptics. Climate change is a major concern, but the dominant view is that this is a problem that can be resolved partly through techno-fixes such as biofuels, carbon sequestration and storage, a revival of nuclear power, and partly through market mechanisms such as carbon trading. Obama's Energy Secretary Steven Chu is a champion of nuclear power, and the farthest Washington's liberals are willing to go in terms of serious efforts to confront global warming is a cap-and-trade system. Carbon taxes and tougher state regulation are non-negotiable.

It is tragic that even such minimal measures as carbon taxes have been seen as politically impossible by liberal circles, for meeting the challenge of climate change demands a more fundamental transformation, a point I will return to later.

Implications for an Interdisciplinary Approach

Let me then move on to discuss some of the implications of the foregoing discussion of key issues in climate politics on the interdisciplinary approach. In his review of the influential Stern Report on climate change policy, Anthony Giddens says, "Extraordinarily, there is no mention of politics in Stern's discussion, no analysis of power, or of the tense nature of international relations." I think this can be said of so many accounts of climate policy by economists, environmentalists, and environmental journalists.

Many of the accounts of the Copenhagen meeting were made without an understanding of the context of the North-South dynamics that are familiar to students of international relations and international political economy. The clash on the climate is the latest in a series of

confrontations that took place in aid policy and in trade policy that pitted the North against the South. On the question of assistance, the South in the late fifties proposed the Special United Nations Fund for Development (SUNFED) and the North countered with the International Development Association window of the World Bank, which the North already controlled. On international trade, the South lined up behind the United Nations Conference on Trade and Development while the North pushed and eventually imposed the WTO. Without the knowledge of the North-South conflicts in these areas, where the North was able to impose its will, economists and environmentalists alike will not be able to understand the depth of frustration, anger, and suspicion that developing countries like China bring to the climate change negotiations.

The informal caucuses of selected countries pushed by the U.S. and Danish governments reminded Southern participants of the exclusive Green Room discussions in the WTO negotiations and were the central factor that torpedoed the Copenhagen meetings. An interdisciplinary approach, informed particularly by a grasp of international relations and international political economy, would have sensitized analysts to these dimensions and avoided the flawed superficial analyses scapegoating China for the Copenhagen debacle.

An interdisciplinary approach would also help us understand China's dilemma. The realist paradigm in international relations would not be sufficient to gain a full understanding of China's climate policies. This is not simply a case of a rising hegemon's response to the efforts of status quo powers to impose constraints on its ascent within the international system. A political economy and sociological approach would locate much of China's behavior in domestic factors, that is, in a desperate effort by a ruling elite to maintain legitimacy by reproducing and intensifying a model of economic growth based on expanding consumption that it inherited from the North.

Finally, an interdisciplinary approach would be critical in helping us understand that meeting the challenge of climate change would involve more than a shift from fossil fuel to other energy sources and that techno-fixes such as biofuels, nuclear technology, carbon sequestration and storage, and carbon trading are not sufficient. The dependence on fossil fuels, first on coal, then on oil, has been intimately related to the rise of a certain mode of production and organization: capitalism. Driven by the search for profit, capitalism has commodified man's relations with man [sic], and man's relations with nature. Capitalism's incessant drive is to transform living nature into dead commodities, with tremendous waste being created in the process. This dynamic has accelerated in recent decades with the decimation of the state as a force constraining capital's drive during the era of neoliberalism.

To put capital at the center of analysis means harnessing the analytical resources of all the disciplines to help deconstruct the climate crisis. Capital is power, which means we must call on the science that deals with politics. Capital is a relationship among classes, both at the national and international level, and this makes imperative the role of sociological analysis. Capital involves institutions that organize production, distribution, and consumption, which means calling on the resources of institutional economics. As for neoliberal economics, with its theoretical and normative fixation on the market, I am afraid it is more of a hindrance than a guide to understanding the climate crisis and solutions to it.

An interdisciplinary, holistic approach pushes us to think outside the box, outside the techno-fixes and social-fixes that continue to frame the international response to global warming. The climate challenge is essentially a challenge for us to make the economy transition from being driven fundamentally by overproduction and overconsumption to being geared to meeting

real needs, marked by moderate or low consumption, and based on sustainable and decentralized production. But is this possible without a more fundamental transformation? Let me be more specific by posing a question: Even if the international community were able to successfully negotiate a regime of mandatory cuts and even if it were able to create a viable adaptation fund that would channel a significant volume of funds to developing countries to cope with global warming, would such a regime be sustainable in the long run without strong restraints on the reproduction of the capitalist mode of production, indeed without a fundamental transformation of our mode of organizing production?

And on that controversial question to which there are no easy answers, let me end by thanking all of you for being such an attentive audience.

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